

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION

In re §
SOUTHWEST CUTTERS, LLC, § Case No. 17-30238-HCM-11
§
Debtor. §

**MOTION FOR INTERIM APPROVAL
OF USE OF CASH COLLATERAL**

TO THE HONORABLE H. CHRISTOPHER MOTT, UNITED STATES BANKRUPTCY JUDGE:

Now comes the Debtor-in-Possession SOUTHWEST CUTTERS, LLC and through its counsel files this Motion for Interim Approval of Use of Cash Collateral, and would show:

1.

Petition date in these proceedings is February 13, 2017.

2.

SOUTHWEST CUTTERS, LLC is a Texas limited liability company that operates a cut-make-and trim business, manufacturing garments. It acquires an inventory of fabric, trim, and accessories in the course of its operations. It converts the inventory into work-in-process and finished goods, and finished goods once shipped become accounts receivable and proceeds of accounts receivable. All of these are "cash equivalents" within the meaning of 11 U.S.C. § 363(a).

3.

The Debtor presently has 155 employees. Payroll is about \$64K weekly. The next payroll is scheduled for Friday, February 17th. The Debtor uses large quantities of fabric, trim, and other materials to make garments, and the Debtor uses electricity, gas heat, and other fuels and liquids in normal operations. The Debtor chiefly needs to use cash collateral to pay its employees, to pay its share of health insurance for its employees, to replenish materials, and to pay for shipping.

4.

There are secured liens of record against the Debtor that affect the cash collateral. There is a "blanket" security agreement and financing statement in favor of its major contractual lender, TEAM GROWTH, LLC. A copy of the foregoing financing statement is hereto appended as Exhibit "A". TEAM GROWTH, LLC is owed approximately \$1.2 million. The cash collateral on-hand, in all its forms, is valued by the Debtor at \$338,000.00. TEAM GROWTH, LLC paid off all of the remaining earlier lenders on cash collateral, on April 4, 2016.

5.

In second lien position relative to the cash collateral is CHTD COMPANY of P.O. Box 2576, Springfield, IL, in a representation capacity for ASCENTIUM CAPITAL CORPORATION ("ASCENTIUM"). ASCENTIUM financed equipment purchases for the Debtor, and ASCENTIUM expanded its UCC-1 this past October to include cash equivalents mentioned in its security agreement. Their October 2016 financing statement is hereto attached as Exhibit "B." There is not enough cash collateral to service ASCENTIUM. ASCENTIUM has other collateral in the form of machinery and equipment.

6.

In third lien position relative to the cash collateral is another UCC filing made February 2, 2017 by CORPORATION SERVICE COMPANY in a representative capacity. The UCC-1 (hereto attached as Exhibit "C") does not identify the secured party except through a P.O. Box that matches ASCENTIUM's. There is not enough cash collateral to secure them.

7.

The Debtor also owes the INTERNAL REVENUE SERVICE ("IRS") several hundred thousand dollars in Form 941 taxes. IRS, however, has not yet filed a lien. If filed, a federal tax lien would prime TEAM GROWTH, LLC's lien after 45 days from its recording date. Under the Internal Revenue Code, a federal tax lien that has been on file for over 45 days primes a prior-recorded contractual lien. 11 U.S.C. § 6331. *See Texas Oil & Gas Corp. v. United States*, 340 F.Supp. 409

(W.D. Tex. 1971), *aff'd* 466 F.2d 1040, *cert. denied* 410 U.S. 929, 93 S.Ct. 1367, 35 L.Ed.2d 591.

Since IRS has no liens, IRS is not being accorded any cash collateral treatment.

8.

As interim adequate protection for use of TEAM GROWTH, LLC's cash collateral, Debtor proposes all of the following:

- a) To make adequate protection payments of \$5,633.30 on the 1st of each month to TEAM GROWTH, LLC.
- b) To have the Court award a replacement lien to TEAM GROWTH, LLC in the amount of the cash collateral's petition-date value, estimated to be \$338,000;
- c) To maintain the cash collateral at a value no less than the cash collateral's petition-date value.
- d) To use the cash collateral only in the ordinary course of business and according to the proposed budget hereto attached as Exhibit "D";
- e) To make available to TEAM GROWTH, LLC on-line its Monthly Operating Reports, on their due dates in this case; and
- f) To maintain insurance against loss and damage of the inventory and work-in-process and finished goods, with the policy showing TEAM GROWTH, LLC as a loss co-payee.

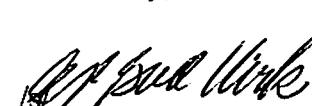
9.

To make them aware of this Motion, the undersigned attorney has telephoned regular counsel for the major lender TEAM GROWTH, LLC, Mr. CLYDE PINE, about this Emergency Motion.

He has also contacted the second and third lienholders on the cash equivalents, about this Motion. All three of those creditors have been emailed this Motion. There do not appear to be any other lienholders of record.

WHEREFORE, PREMISES CONSIDERED, Debtor prays that interim authorization to use cash collateral be granted, upon the terms described above.

Respectfully submitted this 13th day of February, 2017.



E.P. BUD KIRK
Texas State Bar No. 11508650
600 Sunland Park Dr.
Building Four, Ste. 400
El Paso, TX 79912
(915) 584-3773
(915) 581-3452 facsimile
budkirk@aol.com

Attorney for Debtor

CERTIFICATE OF SERVICE

I do hereby certify that on the 13th day of February, 2017 did cause a copy of the foregoing Motion for Interim Approval of Use of Cash Collateral to be mailed and emailed to the U.S. Trustee, P.O. Box 1539, San Antonio, TX 78205-1539; to Southwest Cutters, LLC, 1430 Gail Borden Pl., Ste. 1-C, El Paso, TX 79935; to Team Growth Fund, LLC, c/o Clyde Pine, Jr., 100 N. Stanton, Ste. 1000, El Paso, TX 79901; and mailed to the parties in interest as shown on the attached list.



E.P. BUD KIRK

Ascentium Capital, LLC
P.O. Box 301593
Dallas, TX 75303-1593

Ascentium Capital Corp Service Co.
P.O. Box 979059
Miami, FL 33197-9059

CHTD Company
P.O. Box 2576
Springfield, IL 62708

Corporation Service Company
P.O. Box 2576
Springfield, IL 62708

Internal Revenue Service
Centralized Insolvency Office
P.O. Box 7346
Philadelphia PA 19101-7346

IRS Insolvency Office
300 E. 8th Street, Mail Stop 5026AUS
Austin TX 78701-0000

Team Growth Fund, LLC
13168 Saker Dr.
Horizon, TX 79928

EXHIBIT “A”

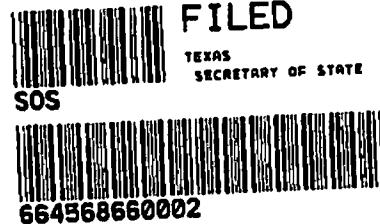
UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
<input checked="" type="checkbox"/> Team Growth Fund, LLC c/o Clyde A. Pine, Jr. 100 N. Stanton, Ste. 1000 El Paso, Texas 79901

RECEIVED
FEB 12 2016
CLERK

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16-0010866866
04/04/2016 09:09 AM



THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad).

1a. ORGANIZATION'S NAME Southwest Cutters				
OR				
1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS 1430 Gail Borden Place, Ste. 1-C	CITY El Paso	STATE TX	POSTAL CODE 79935	COUNTRY USA
2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); If any part of the individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here <input type="checkbox"/> and provide the individual Debtor information in Item 10 of the Financing Statement Addendum (Form UCC1Ad).				
2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)				
3a. ORGANIZATION'S NAME Team Growth, LLC				
OR				
3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS 13168 Saker Dr.	CITY Horizon	STATE TX	POSTAL CODE 79928-6211	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

All goods, equipment, inventory, furniture, fixtures, motor vehicles, notes, receivables, accounts, contract rights, general intangibles, instruments, documents, consumer goods, chattel paper, and other tangible or intangible personal property of any kind of Debtor, including without limitation all such property arising under or relating to that certain Subcontract Agreement, #SPM1C1-13-D-1020 dated November 12, 2015 between Bluewater Defense, Inc. (the "Buyer") and Debtor and associated purchase orders thereunder (the "Supply Contract"), wherever located, now owned or hereafter acquired, along with all proceeds, products, accessions, and rents thereof or therefrom.

5. Check only if applicable and check only one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and instructions)	<input type="checkbox"/> being administered by a Decedent's Personal Representative
6a. Check only if applicable and check only one box:	6b. Check only if applicable and check only one box:
<input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	<input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing
7. ALTERNATIVE DESIGNATION (if applicable): <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer	<input type="checkbox"/> Bailee/Balior <input type="checkbox"/> Licensee/Licensor
8. OPTIONAL FILER REFERENCE DATA:	

**MOUNCE, GREEN, MYERS,
SAFI, PAXSON & GALATZAN**
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW

B. ANTHONY BAPT
JL. KOTTI MYERS
CARL M. GREEN
JOHN E. BIRKELBACH
KURT G. PAXSON
NORMAN J. GORDON
MARIA D. DORIA
CLYDE A. PINE, JR.
BRUCE A. KOBBER
DARREL S. VIREEN
ANDRES E. ALMANZAN
LUCIA ENRIGUEZ
RAMON BENAVIDES III
DAVID M. MORALES
MURWAN H. BHATTI*

MONICA L. PEREZ
SHANNON C. RIGGARD*
BRADLEY H. BARTLETT*

WILLIAM J. MOUNCE
ARTHUR R. PIAGANTI
RENE CARMELENNAVIDES
GARRETT Z. YANCY
OF COUNSEL

MARIE A. GALATZAN
(1911-1999)
WILLIAM T. KIRK
(1940-2002)

* ALSO MEMBER OF NEW MEXICO BAR.

TELEPHONE: (915) 512-2000
MAILING ADDRESS:
P.O. BOX 1977
EL PASO, TEXAS 79999-1977

STREET ADDRESS:
100 N. STANTON, SUITE 1000
EL PASO, TEXAS 79901-1463

FACSIMILE: (915) 541-1548
WEBSITE: WWW.MGMZO.COM

April 4, 2016

VIA FACSIMILE

Office of the Secretary of State
UCC Department
James Earl Rudder State Office Building
1019 Brazos
Austin, Texas 78701

RE: UCC-1 - Southwest Cutters, LLC

Dear Sir or Madam:

Enclosed please find a original and a copy of a UCC-1 Financing Statement. We are requesting these Statements to be expedited and to also receive an acknowledgement of same. I also enclose a credit card payment authorized for the filings.

Please call me if you have any questions or comments regarding the foregoing.

Very truly yours,

**MOUNCE, GREEN, MYERS, SAFI, PAXSON
& GALATZAN**
A Professional Corporation

By:

Clyde A. Pine, Jr.

CAP/eh

15344.101/CPIN/1243647.1

ALFA
American
Law Firm
Association

MOUNCE, GREEN, MYERS,
SAFI, PAXSON & GALATZAN
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS AT LAW
100 N. STANTON, STE. 1000
EL PASO, TEXAS 79901-1448
(915)533-2000
MAILING ADDRESS:
P.O. BOX 1977
EL PASO, TEXAS 79909-1977
FACSIMILE (915) 541-1397

FAX COVER SHEET

3 Pages Faxed (including this sheet)

FAX NO : (512) 463-1423

April 4
~~March 31, 2016~~

TO :	Secretary of State UCC Corporations Section	FROM :	Clyde A. Pine, Jr
		:	

RE : Filings of UCC-1 Financing Statement

MESSAGE : Enclosed please find a UCC-1 financing Statement and payment for expedited filing of same.
Thank you for your Cooperation.

THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS ATTORNEY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAMED ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

EXHIBIT “B”

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 16-0033728515

FILING DATE: 10/12/2016 01:52 PM

DOCUMENT NUMBER: 694048510001

FILED: Texas Secretary of State

IMAGE GENERATED ELECTRONICALLY FOR XML FILING

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME - Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME SOUTHWEST CUTTERS, LLC				
OR				
1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS 1430 GAIL BORDEN PL STE 1C	CITY EL PASO	STATE TX	POSTAL CODE 79935	COUNTRY USA

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME CHTD COMPANY				
OR				
3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS P.O. BOX 2576	CITY SPRINGFIELD	STATE IL	POSTAL CODE 62708	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

ALL ACCOUNTS, CHATTEL PAPER, DOCUMENTS, INSTRUMENTS, GENERAL INTANGIBLES, PAYMENT INTANGIBLES, GOODS, INVENTORY, INVESTMENT PROPERTY, RENTS, INCOME, SECURITIES, FIXTURES AND OTHER PROPERTY, NOW EXISTING OR HEREAFTER ARISING, AND ANY AND ALL PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS. ALL MACHINERY AND EQUIPMENT, WHETHER NOW OWNED OR HEREAFTER ACQUIRED, TOGETHER WITH ALL REPLACEMENTS, PARTS, REPAIRS, ADDITIONS, ACCSSIONS AND ACCESSORIES INCORPORATED THEREIN OR AFFIXED THERETO AND ANY AND ALL PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, INSURANCE PROCEEDS. THE SECURED PARTY NAMED IN THIS RECORD IS ACTING IN A REPRESENTATIVE CAPACITY FOR PURPOSES OF FORWARDING NOTICES & INQUIRIES REGARDING THIS RECORD. FOR MORE INFORMATION, PLEASE CONTACT THE SECURED PARTY AT THE ADDRESS LISTED ABOVE OR AT UCCSPREP@CSCINFO.COM. See Below additional collateral description, if applicable: 1 NEW TYPICAL GC6710-MD3 DIRECT DRIVE SINGLE NEEDLE LOCKSTITCH WITH AUTO THREAD TRIMMER. AUTO BACKTACK AND AUTO FOOTLIFT COMPLETE WITH TABLE. STAND AND DIRECT DRIVE MOTOR *220 VOLT 1 NEW SIRUBA 757K-516M2-35 HIGH SPEED FIVE-THREAD SAFETY STITCH MACHINE WITH CHAIN CUTTER AND TEMPLEX WASTE REMOVAL COMPLETE WITH TABLE. STAND AND MINI SERVO MOTOR *220 VOLT

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

6b. Check only if applicable and check only one box.

 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility Agricultural Lien Non-UCC Filing7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

1281479 [122426913]

EXHIBIT “C”

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
CSC
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 USA

FILING NUMBER: 17-0003740820**FILING DATE: 02/02/2017 11:14 AM****DOCUMENT NUMBER: 712516430001****FILED: Texas Secretary of State****IMAGE GENERATED ELECTRONICALLY FOR XML FILING****THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY**

1. DEBTOR'S NAME - Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME

Southwest Cutters, LLC

OR

1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS 1430 Gail Borden PI STE 1C	CITY El Paso	STATE TX	POSTAL CODE 79935
			COUNTRY USA

2. DEBTOR'S NAME - Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME

Southwest Cutters - Justice Apparel Group, LLC

OR

2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS 1430 Gail Borden PI STE 1C	CITY El Paso	STATE TX	POSTAL CODE 79935
			COUNTRY USA

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY) - Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME

CORPORATION SERVICE COMPANY, AS REPRESENTATIVE

OR

3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS P.O. BOX 2576 UCCSPREP@CSCINFO.COM	CITY Springfield	STATE IL	POSTAL CODE 62708
			COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:

All Assets now owned or hereafter acquired and wherever located, including but not limited to, the following subcategories of assets: a. Accounts, including but not limited to, credit card receivables; b. Chattel Paper; c. Inventory; d. Equipment; e. Instruments, including but not limited to, Promissory Notes; f. Investment Property; g. Documents; h. Deposit Accounts; i. Letter of Credits Rights; j. General Intangibles; k. Supporting Obligations; and l. Proceeds and Products of the foregoing. NOTICE PURSUANT TO AN AGREEMENT BETWEEN DEBTOR AND SECURED PARTY, DEBTOR HAS AGREED NOT TO FURTHER ENCUMBER THE COLLATERAL DESCRIBED HEREIN, THE FURTHER ENCUMBERING OF WHICH MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH THE SECURED PARTY'S RIGHT BY SUCH ENCUMBRANCER IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:

 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box.

 Agricultural Lien Non-UCC Filing7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

[126983482]

page 2

UCC FINANCING STATEMENT ADDENDUM**FOLLOW INSTRUCTIONS**

9: NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

OR	9a. ORGANIZATION'S NAME Southwest Cutters, LLC	
	9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME		
ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

OR	10a. ORGANIZATION'S NAME Southwest Cutters	
	10b. INDIVIDUAL'S SURNAME	
INDIVIDUAL'S FIRST PERSONAL NAME		
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)		SUFFIX

10c. MAILING ADDRESS 1430 Gail Borden PI STE 1C	CITY Ei Paso	STATE TX	POSTAL CODE 79935	COUNTRY USA
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11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME				
OR	11b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
	11c. MAILING ADDRESS	CITY	STATE	POSTAL CODE

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)

13. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable).

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):

14. This FINANCING STATEMENT

covers timber to be cut covers as-extracted collateral is filed as a fixture filing.

16. Description of real estate:

17. MISCELLANEOUS:

FILING OFFICE COPY

EXHIBIT "D"

GROSS PROFIT AND LOSS STATEMENT